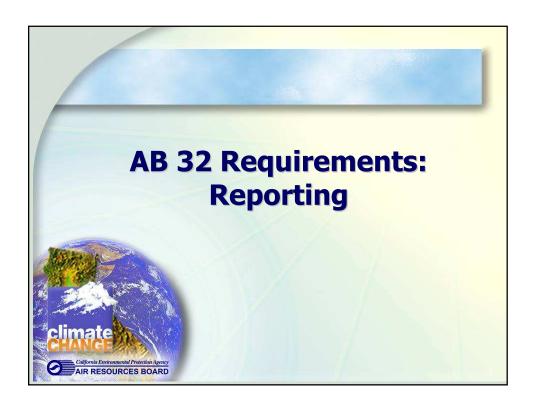


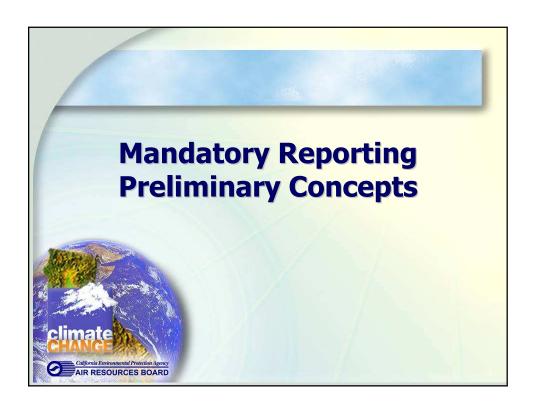
Workshop Overview

- AB 32 Reporting Requirements
- Concepts for Mandatory Reporting
- Protocols, Verification Options
- Next Steps and Schedule



AB 32 Statutory Requirements

- Regulation by January 1, 2008
- Begin with sources contributing the most to statewide emissions
- Account for all electricity consumed
- Use Registry protocols
- Provide reporting tools



Key Questions

- Who is subject to reporting
- Scope of reporting
- Timing and tools
- Role of Registry protocols
- Verification process

Potential Sources Covered

- Electric power generators/utilities
- Oil refineries
- Cement manufacturers
- Industrial/commercial combustion
- Oil and gas production/distribution
- Landfills
- Others may be considered

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Initial Thinking on Scope

- CA emissions only (except power imports)
- Direct emissions and indirect electricity emissions
- Operational or financial control (not equity basis)
- Annual updates, calendar year basis

Regulation Level of Detail

- Who is required to report, and when
- Geographic and organizational boundaries
- Which emissions processes
- Formulas for calculation

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Timing

- ARB regulatory hearing: Dec 2007
- Effective date (OAL approved): 2008
- Earliest reporting: 2009
- Reporting may phase in as protocols developed

Reporting Tools

- Timing limits initial tool choices
- CA Registry tool (CARROT) appears best option so far
- Some modifications expected pending final Board action

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Role of Protocols

- Existing protocols provide emission estimation techniques
- Key elements would be regulatory
- Protocols may provide additional technical guidance
- Additional protocols under development

Protocols Done or Underway

- General Reporting
- Power/Utilities
- Cement Production
- Forest Sector
- Refineries
- Natural Gas Transmission and Distribution

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Verification Options

- Third party
- ARB audits
- Combination of methods
- Need to consider frequency, costs and scope



Next Steps and Schedule

- Meetings with stakeholders and public ongoing
- Additional workshops in spring and summer
- Staff Report in October
- Board Hearing in December

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GHG Mandatory Reporting Website http://www.arb.ca.gov/cc/ccei/ccei.htm



Public Comments

- Possibly 20 minutes or so per topic...
 - Potential sources covered (slide 7)
 - Initial thinking on scope (slide 8)
 - Level of detail, timing,
 and reporting tools (slides 9-11)
 - Protocols (slides 12-13)
 - Verification (slide 14)
- Any other comments encouraged